

Office Memorandum • UNITED STATES GOVERNMENT

TO : Chief, GG/E
THRU : Acting Chief, GRA
THRU : Acting Chief, ERA
THRU : Chief, D/S *ms*
FROM : Chief, S/TR

DATE: 27 October 1958

SUBJECT: Review of Geographic Research Project, 63.1654, Postwar Development of the Railroad Network in Poland

1. We have reviewed subject report and find that it differs in conclusions and interpretation from the estimates of Polish railroad policies and developments held by the responsible analysts in the Transportation Branch.

2. This Geographic Report has as one major finding the failure of the Poles to develop adequately a rail network in the less developed areas of Poland. We do not feel that dense rail networks are necessary for the development of these areas, particularly inasmuch as their development would be in light industry. The major need for transportation in these less developed areas is for good road transportation and more intensive utilization of existing highway facilities rather than new rail lines. There is presently much short-haul traffic transported by rail that could be shipped more cheaply by truck. Judging by present plans to have 250,000 trucks by 1975 - three times as many as they have at present - Polish transport policy may indeed be pointing in this direction.

3. The report also presents a finding that the Poles failed to provide adequate capital investment for the rail network because of the favored position of industry in expansion programs. We feel the relatively little capital investment in railroads (after the postwar reconstruction) reflected the general adequacy of the Polish rail system. Until such time as Poland's industry could grow significantly, continued expansion in railroads could only increase the gap between the demands for rail transport and the capabilities of the rail system. The emphasis on industrial expansion in already established areas reflected, moreover, the cheapest and quickest way for the Poles to accomplish the necessary industrial expansion. We would also note that the policy of increasing traffic volume by obtaining better operating efficiency levels rather than increasing capital investment has been very successful for the Poles.

4. We would also like to point out the following specific points in which the estimates carried in the Geographic Report differ from those held by S/TR:

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a. Page 3 - S/TR figures for the rail net are: 18,993 kilometers of standard gauge track; 4,500 kilometers of broad-gauge track; and 2,769 kilometers of narrow-gauge track.

b. Page 4 - New line construction - we conclude that 1,320 kilometers of track were constructed between 1950-1955.

c. Page 6 - The table on freight and passenger traffic does not agree with our figures for the years 1949, 1953 and 1954. The figures presented apparently include totals of standard and narrow gauge, rather than standard gauge alone.

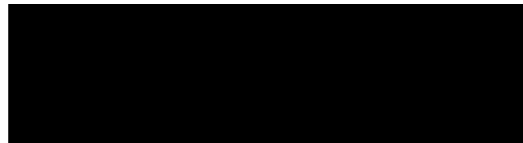
d. Page 7 - The statement on falling short of plan goals is not quite accurate. The original goal for ton-kilometer performance was not met because the Poles were able to shorten their average length of haul.

e. Page 10 - The changes in priorities for commodity carriage by rail were set for the peak period of operations in one year only. They did not represent a permanent order of priorities and were not intended for year-round operations.

5. We would also note that this Geographic report goes considerably beyond the usual treatment of transportation found in Geographic Area Reports. This applies particularly to its treatment of investment policies in transportation and its evaluation of the adequacy of the rail system in meeting the economic demands placed upon it. The same remark may be applicable to some of the more detailed treatment of transport performance figures and progress made in rail construction programs.

6. Comments on the sections of Part IV dealing with other regional economic development in Poland should probably be made by branches other than S/TR.

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